

**STATEMENT OF
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BEFORE THE
HOUSE RESOURCES SUBCOMMITTEE ON FISHERIES
CONSERVATION, WILDLIFE AND OCEANS
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REGARDING THE U.S. FISH AND WILDLIFE SERVICE'S FY 2005
BUDGET REQUEST**

Good morning and thank you for the opportunity to discuss our budget request for 2005 as proposed by the Administration. I would like to thank you, Mr. Chairman; and Mr. Pallone, in your role as Ranking Member of the Subcommittee for your support for our mission.

Our budget request for 2005 is just over \$2.0 billion, consisting of \$1.3 billion in current appropriations under the purview of this Subcommittee, as well as \$706 million in permanent appropriations.

President's Management Agenda

We continue to implement the President's Management Agenda for improving management and performance of the federal government, while practicing the Secretary's vision for citizen-managed excellence. In 2003, the Department finalized a new, unified strategic plan that addresses activities across all bureaus. Based on this plan, the Service is developing a strategic agency operating plan to link Service programs and performance to the overall mission of the Department. Other significant management activities include piloting an activity based cost / management system in 2003, and expanding the pilot to the entire Service in 2004.

The Service participated in the Administration's Program Assessment Rating Tool review of the National Wildlife Refuge system during the development of the 2005 request, as well as ongoing reviews of the Partners for Fish and Wildlife Program and National Fish Hatchery system.

Land and Water Conservation Fund

The cornerstone of our request is the Administration's commitment to full funding of the Land and Water Conservation Fund. Our request includes \$415.6 million for Service programs funded through the Land and Water Conservation Fund, a \$79.6 million increase over 2004. This includes most of the Service portfolio of grant programs as well as the Secretary's emphasis on conservation partnerships through a Cooperative Conservation Initiative in the Resource Management account.

In recognizing the importance of opportunities for conservation of threatened and endangered species through partnerships with private landowners, we are requesting \$60.0 million for the Landowner Incentive and Private Stewardship programs, an increase of \$23.0 million above the 2004 enacted level. In 2004 these programs will support innovative partnerships in 42 states and

assist many individuals and groups engaged in local, private and voluntary conservation efforts that benefit federally listed, proposed, candidate or other at-risk species. The 2005 request will significantly build upon this success.

We request \$90.0 million for the Cooperative Endangered Species Conservation Fund, \$8.4 million above the 2004 enacted level. Additional resources for this program will increase our ability to provide funds to states and territories to implement recovery actions for listed species, implement conservation measures for candidate species, and perform research and monitoring critical to conservation of imperiled species. The proposed funding level would provide \$50.0 million to support Habitat Conservation Plan Land Acquisition grants; \$17.8 million for Recovery Land Acquisition grants to help implement approved species recovery plans; \$10.9 million for traditional grants to states; and \$8.8 million for HCP planning assistance to states.

Funding totals \$80.0 million, including a \$6.0 million tribal set-aside, for State and Tribal Wildlife Grants, an increase of \$10.9 million over the FY 2004 enacted level. The bulk of this increase will support the completion of the required State Comprehensive Wildlife Plans.

The budget proposes \$54.0 million for the North American Wetlands Conservation Fund, an increase of \$16.5 million or 44 percent over the 2004 enacted level. These matching grants support wetlands and migratory bird conservation with private landowners, states, NGO's, and other partners.

We request \$45.0 million for high-priority acquisition of land and conservation easements from willing sellers. This is increase of \$6.9 million above the 2004 enacted level. Priorities include \$10.0 million for the Quinnault settlement, \$2.6 million for the Baca Ranch, and \$4.6 million in the Klamath Basin to enhance water quality and restore habitat.

The Cooperative Conservation Initiative includes our highly successful Partners for Fish and Wildlife Program, our Coastal Program, National Wildlife Refuge system challenge cost-share grants, and the Joint Ventures program. The budget provides \$13.9 million in increased funding for these programs. We will discuss the components of the CCI in the testimony that follows.

Operations – Resource Management Account

Our main operations account is funded at \$951.0 million in the request, a net decrease of \$5.5 million below the 2004 enacted level. This reduction largely reflects decreases from one-time Congressional projects that were included in the 2004 enacted funding level. The budget includes \$15.9 million in program increases which are discussed in my testimony and \$8.1 million in fixed cost increases. The budget also includes savings from lower-priority program line items, and an overall reduction of \$1.8 million tied to expected savings from improved vehicle fleet management. These savings have been redirected towards high priority initiatives in the request.

Science Excellence Initiative

An increase of \$2.0 million will be used for the *Science Excellence Initiative*, to provide managers better access to the best available science and better ability to apply that science toward adaptive management. This initiative is the beginning of a renewed commitment to scientific excellence that will support the mission and employees of the U.S. Fish and Wildlife Service and the Secretary's 4 C's vision. This will be accomplished by expanding partnerships with organizations like the U.S. Geological Survey, universities, and professional societies; by applying scientific information to begin developing explicit population and habitat goals to better guide conservation efforts; and applying state-of-the-art tools and techniques, including models linking populations and habitats, spatial analysis, and more strategic survey and monitoring that supports adaptive management and research.

Endangered Species

The budget request includes a total of \$279.4 million for endangered species programs, a \$23.8 million increase. This includes \$129.4 million for the operations program and \$150 million for partnership grant programs. The budget includes an increase of \$31.4 million for the grant programs that can help to achieve Endangered Species Act recovery goals in a partnership with states, Tribes, local jurisdictions and private citizens. In 2005, with the increase to the Cooperative Endangered Species Conservation Fund for example, the Fish and Wildlife Service will increase by 20 percent the number of partnerships and cooperative efforts to stabilize, improve and recover endangered species. The \$129.4 million request for the endangered species operations program is a net reduction of \$7.6 million below the 2004 enacted level. The program funding will support operations that enhance implementation of the *Endangered Species Act*. Within this total, the Service requests \$17.2 million, a \$5.1 million increase above the 2004 enacted level for Listing. Increased funding is required to meet resource protection goals and address the growing litigation-driven workload in the listing program.

Partners for Fish and Wildlife

To date, the Partners program has worked with 33,100 private landowners through voluntary partnerships to implement on-the-ground habitat restoration projects. We request \$50.0 million, a net increase of \$7.6 million, to accelerate this highly effective program for voluntary habitat restoration on private lands as part of the Secretary's Cooperative Conservation Initiative. A requested general program increase of \$5.0 million will allow the Partners Program to improve the health of watersheds and landscapes that are DOI managed and increase our capability to enter into meaningful partnerships resulting in on-the-ground habitat restoration. An increment of \$1.0 million will be used to extend partnerships in combating tamarisk and associated noxious weeds, on federal and other lands in the Southwest.

In addition, we request increases of \$5.0 million for the High Plains Partnership to conserve declining species and their habitats on private lands throughout 11 states; and \$6.2 million for the Upper Klamath Basin Restoration Initiative to help forge a long-term solution to conflicts over water and land management to restore habitat, remove fish migration barriers, and improve the health of the Klamath basin to benefit farmers, tribes, and wildlife.

Coastal Program

As part of the Secretary's Cooperative Conservation Initiative, we request \$13.1 million for our Coastal Program, including a general program increase of \$3.5 million to help protect and restore high priority coastal habitats. In addition to on-the-ground restoration, maps, habitat surveys, and grant application assistance will continue to help communities plan and implement projects that balance economic development and the coastal resources that make these communities desirable places to live and work.

Migratory Bird Management

Our 2005 request places a major emphasis on a core Service responsibility: conservation and management of Migratory Birds. To benefit migratory bird species, we request a net increase of \$4.6 million for our Migratory Bird Conservation and Monitoring Program including an increase of \$1.2 million for our Migratory Bird Joint Ventures Program.

Requested increases include \$1.0 for Environmental Impact Studies, \$250,000 for Webless Migratory Bird Conservation efforts, \$655,000 for the Harvest Information Program, and \$2.1 million for migratory bird surveys, monitoring and assessment activities.

Of note, a \$700,000 increase will fund improvements to migratory bird permit processing along with a similar increase of \$500,000 to modernize the International Affairs Service Permits Issuance and Tracking System, or SPITS.

The Service also requests a \$1.2 million increase for the Migratory Bird Joint Venture program that will provide a total of \$11.4 million for the program as part of the Secretary's Cooperative Conservation Initiative. This increase is also tied to a \$16.5 million increase in the North American Wetlands Conservation Fund. This successful program protects and restores critical habitats for diverse migratory bird species across all of North America, both on, and to a greater extent off, Service lands. The requested increase combined with the other dedicated funds is expected to be matched by at least \$341 million of partner's funds.

National Wildlife Refuge System

We request \$387.7 million for National Wildlife Refuge System operations and maintenance. Although this is a net decrease of \$3.8 million below the 2004 enacted level. It reflects the reduction of \$5.0 million for a one time transfer from the National Park Service for monitoring in Loxahatchee National Wildlife Refuge.

An increase of \$2.2 million -- for a total of \$12.0 million -- for the Challenge Cost Share program will meet expanded opportunities for natural resource restoration partnerships. This is a component of the Cooperative Conservation Initiative. With additional funding, refuges and partners will build on the current program and pursue results-oriented conservation projects consistent with the Cooperative Conservation Initiative criteria to promote citizen stewardship through cost-shared projects that restore or conserve natural resources. The National Wildlife

Refuge System has developed additional initiatives that provide expanded opportunities for natural resource restoration partnerships. Recent projects leveraged more than \$1.5 for every \$1 in federal funding.

The National Wildlife Refuge System law enforcement program will continue compliance with the Secretary's directive to implement law enforcement reforms and address issues identified by the International Association of Chiefs of Police and the Inspector General with an increase of \$3.6 million. An additional 20 law enforcement officers will be hired, including \$900,000 to hire seven additional law enforcement officers to be placed along our Southern border at San Diego NWR (CA), Buenos Aires NWR (AZ), and Cabeza Prieta NWR (AZ).

Last, the refuge program will use \$1.0 million to develop strike teams to quickly respond to infestations of brown tree snake, tamarisk, leafy spurge, and yellow star thistle in Hawaii and the Pacific Islands and the Dakotas.

Fisheries

For the National Fish Hatchery System, we request \$57.0 million. This includes an operations programmatic increase of \$840,000 and a maintenance increase of \$1.0 million. We will focus the additional operations funds in priority areas identified in the DOI Strategic Plan, the Fisheries Program's "Vision for the Future," the Administration's PART Review, and more specific Regional step-down plans linked to DOI goals. The bulk of this increase will support resource protection goals by sustaining biological communities on DOI managed and influenced lands and waters.

We request \$46.8 million, a net decrease of \$9.5 million under the 2004 enacted level, for the Fish and Wildlife management assistance program. Of note, sea lamprey overhead costs are funded at \$889,000, the 2004 enacted level, and the highest priority aspects of the Yukon River Salmon Treaty will be implemented with \$3.0 million, slightly lower than the 2004 enacted level.

International Conservation

Along with the permits request discussed above, we request \$9.5 million for the Multinational Species Conservation Fund. Within this fund, we propose to include \$4.0 million funding for the Neotropical Migratory Bird Conservation Fund. The service request provides \$1.5 million for the Rhinoceros and Tiger Conservation Fund, and \$1.4 million each for the African Elephant Conservation Fund, the Asian Elephant Conservation Fund, and the Great Ape Conservation Fund.

General Operations

For general operations, we request \$134.5 million, a net increase of \$4.6 million above the 2004 enacted level for Central Office Operations, Regional Office Operations, Servicewide Administrative Support, National Fish and Wildlife Foundation, National Conservation Training Center, International Affairs, and the Science Excellence Initiative. Increases include funding for audit costs and the Enterprise Services Network and E-Gov projects.

Conclusion

Thank you very much. We appreciate the Subcommittee's past support, and look forward to working with you on the 2005 budget.